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THE

COLUMBIA INSURANCE COMPANY

OF PHILADELPHIA.

AN ACT

To incorporate the Columbia Insurance Company of Philadelphia.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same,* That all and every person who shall be or become a member of the association called the Columbia Insurance Company, and proprietors of the capital stock thereof, shall be, and they are hereby created and declared to be one body politic and corporate, by the name and title of "The Columbia Insurance Company," and by the same name shall have perpetual succession, and shall be able to sue and be sued, implead and be impleaded in all courts of record, and elsewhere, and to purchase, receive, hold and enjoy, to them and their successors, lands, tenements and hereditaments, goods and chattels, of what nature, quality, or kind soever, real, personal or mixed, or choses in action, and the same from time to time, to sell, demise, grant, alien or dispose of: *Provided,* That the real estate shall be only such as shall be necessary to accommodate the said corporation for transacting the business thereof, or as shall be taken and held in security for the payment of debts due to the corporation. *And provided also,* That the clear yearly income of the said real estate shall not at any time exceed the sum of ten thousand dollars. And also to make and to have a common seal, and the same to break, alter, and renew at pleasure; and also to ordain, establish and put in execution such by-laws, ordinances and regulations, as shall appear necessary and convenient for the government of the said corporation, not being contrary to the constitution or to the laws of the United States or of this commonwealth; and generally to do all and singular the matters which to them it shall lawfully appertain to do, for the well being of the

said corporation, and the due management and ordering of the affairs thereof.

SECT. 2. That the capital stock of the Columbia Insurance Company shall consist of two thousand shares of one hundred dollars each, which may hereafter be increased to any sum not exceeding five thousand shares, of one hundred dollars each, if the holders of two-thirds of the original stock shall at any time at a general meeting regularly convened so order; and the increase shall be subscribed for in such manner and on such terms as such meeting may direct, on the terms, and in the manner hereinafter specified: that is to say, each and every subscriber shall, within thirty days after public notice given by the president and directors in any two of the daily papers printed in the city of Philadelphia, pay or cause to be paid to the said president and directors, for the use of the said corporation, the amount of the shares so subscribed, in such sum or sums, at such time or times, as they the said president and directors shall, in their discretion, direct and appoint; and if any subscriber, his or her assignee or transferee, shall refuse or neglect to pay the first or any subsequent instalment called for and demanded by the president and directors as aforesaid, such subscriber, his or her assignee or transferee, shall forfeit each and every share on which the payment shall not be duly made on account of the share or shares so forfeited, and new subscriptions may be opened and received for the share or shares so forfeited, at the discretion of the stockholders of the said corporation.

SECT. 3. That, for the well ordering of the affairs of the said corporation, there shall be nine directors, who shall be citizens of the United States and stockholders of the said corporation, holding at least two shares each in their own rights, or in trust, elected annually by the stockholders at their general meeting for that purpose assembled; and the directors, at their first meeting after each election, shall choose one of their number as president. But in case it should happen at any time that an election of directors should not be made upon any day when pursuant to this act it ought to have been made, the corporation shall not for that cause be deemed to be dissolved; and it shall be lawful on any day within thirty days thereafter, to hold and make an election of directors in such manner as shall be regulated by the by-laws and ordinances of the said corporation, and in case of any director's

death or resignation, his place shall be filled for the remainder of the year in such manner as the ordinances of the said corporation shall for that purpose direct. *Provided*, That the first directors shall be Charles N. Buck, John Bohlen, Charles Vezin, Henry Pratt M'Kean, John Myers, Alfred Ingraham, George H. Thomson, Joseph Cabot, and John A. Barclay, who shall hold their office until the first Monday in July, eighteen hundred and forty-one, and until new directors are chosen.

SECT. 4. That the votes of the stockholders for directors shall be by ballot; and for the election of directors and for the deciding of all questions in the general meeting of the stockholders, the ratio of votes shall be as follows, to wit: Five shares, or less, one vote; six and not more than nine, two votes; ten and not more than fourteen, four votes; fifteen and not more than nineteen, six votes; twenty and not more than twenty-four, eight votes; twenty-five and not more than twenty-nine, ten votes; thirty and not more than thirty-four, twelve votes; thirty-five and not more than thirty-nine, fourteen votes; forty and not more than forty-five, sixteen votes; forty-five and not more than forty-nine, eighteen votes; fifty and upwards, twenty votes. But no stockholder shall be entitled, in his own right, or as a proxy, to a greater number than twenty-five votes; nor shall any stockholder vote at any election for directors, unless the share or shares on which he or she may claim to vote, shall have been standing, in his or her name, in the books of the said corporation, for at least three months previous to such election.

SECT. 5. That the president and directors of the said corporation, for the time being, shall have power to appoint such officers, clerks, agents, and other persons, as shall be necessary for conducting and executing the business of the said corporation, as well in the said city of Philadelphia as elsewhere; and to allow the said persons so appointed, such compensation for their services, respectively, as they shall deem reasonable; and generally to exercise all other powers and authorities, for the well governing and ordering of the affairs and funds of the said corporation, as this act confers or allows, or as may be hereafter conferred or allowed, by the laws, regulations and ordinances of the said corporation.

SECT. 6. That it may be lawful for the said corporation, to employ and improve the capital stock thereof, and all moneys received for premiums, which the president and directors are by

the ninth section of this act, directed to retain until the risks upon which such premiums have been received are fully determined, in the stocks of the United States, or of this, or any one of the United States, or of any bank incorporated by this state, or to lend the same, or any part thereof, upon real estate within this commonwealth, or in the loans of any county, city or borough within this state; and also to sell and dispose of, and transfer all, or any of the said stock and securities, and invest the proceeds thereof in like stock and securities. *Provided*, That nothing herein contained shall in any way be construed to authorize the said company to use the funds of this institution for banking purposes.

SECT. 7. That the president and directors shall have full power, on behalf of the said corporation, to make insurances against losses by fire on any house, tenement, manufactory, or other building; and on goods, wares, merchandise and effects therein; and on any ship or vessel upon the stocks, building or repairing, or at mooring, or lying in port, or on goods, wares, merchandise and effects therein; and on hay, grain, and other agricultural products, in barns, stacks, or otherwise; and generally on all kinds of buildings, and on goods, wares, merchandise, and effects upon land, or lying in port; and further, to make insurances against losses by fire or by water, on goods, wares, and merchandise and effects transported on rivers, on canals, on rail roads, by steam boats or wagons, in canal boats or cars; and to make and to execute and perfect such and so many contracts, bargains, agreements, policies, and other instruments as shall or may be necessary, and as the nature of the case shall or may require; and every such contract, bargain, agreement and policy to be made by the said corporation, shall be in writing or in print, and shall be under the seal of the said corporation, signed by the president, and attested and signed by the secretary or other officers, who may be appointed by the said president and directors for that purpose; and also have authority to make all kind of marine insurances.

SECT. 8. That in case any assured named in any policy or contract of insurance made by the said corporation, shall sell, convey or assign the subject insured, it shall be lawful for such assured to assign and to deliver to the purchaser such policy or contract of insurance; and such assignee shall have all the benefit of such policy or contract of insurance, and may bring and maintain a suit in his own name: *Provided*, That before any loss happens, he

shall obtain the consent of the insurer to such assignment, and have the same endorsed on or annexed to such policy or contract of insurance, to be according to the aforesaid directions for that purpose, and not otherwise.

SECT. 9. That the president and directors shall, on the first Monday of July, in the year of our Lord eighteen hundred and forty-one, and on the first Monday in July and January of every year thereafter, declare and divide so much of the profits of the said corporation as to them shall appear advisable; and the dividend so declared shall be paid to the respective stockholders, agreeably to such rules as the president and directors shall make for that purpose; but the moneys received as premiums upon risks which remain undetermined, and are outstanding at the time of the declaring of such dividend, shall not then be considered as part of the profits of the said corporation, or divided as such; and if any loss or losses shall happen, whereby the capital stock of the company shall be lessened, no subsequent dividend shall be made until a sum equal to such diminution shall have been added to the capital stock of said company. And if the president and directors shall knowingly make a dividend or dividends, contrary to the true intent and meaning of the prohibitions herein contained, the president, if he consent thereto, and such of the directors as shall consent thereto, shall, in their individual capacities, be accountable for and pay over to the said corporation, for the use thereof, as much money as they may so divide and pay, more than by this act they are authorized to do. And the president and each director of the said corporation, in office at the time of making such dividend hereby prohibited to be made, shall be deemed as consenting to such dividend, unless he or they shall, at the time of making such dividend, be absent from the board of directors; or if present, shall immediately enter his or their protest on the minutes of the board of directors, and also give notice thereof in two or more newspapers published in Philadelphia.

SECT. 10. That the shares of the stock of the said corporation shall be assignable and transferable only on the books of said corporation, according to such rules and regulations as the president and directors shall for that purpose ordain and establish, and not otherwise.

SECT. 11. That if at any time it shall appear to the legislature that the privileges hereby granted are injurious to the public wel-

fare, the power to repeal this act shall not, on any condition, be denied or impaired; but such repeal shall not affect any engagements to which said company may have become a party previously thereto; and the said company shall have a reasonable time to bring their accounts to a final settlement and termination, and the said corporation shall be subject to such tax as the legislature may at any time hereafter impose, by any general law, upon the several insurance companies of this commonwealth.

WILLIAM HOPKINS,
Speaker of the House of Representatives.

P. S. MICHLER,
Speaker of the Senate, pro. tem.

APPROVED this fourteenth of June, A. D. eighteen hundred and thirty-nine.

D. R. PORTER.

Pennsylvania, ss.

Secretary's Office.

I do certify that the within and foregoing is a true copy of the original act of the General Assembly of this commonwealth as the same remains on file in this office.

In testimony whereof, I have hereunto set my hand, and affixed the seal of said office at Harrisburg, this seventeenth day of June, in the year of our Lord one thousand eight hundred and thirty-nine, and of the commonwealth the sixty-third.



F. R. SHUNK,
Secretary of Commonwealth.